

AAT communication on engagement

AAT report on support for the UN Global Compact
for the 24 months ended 31 July 2023

Contents

1.	Message from our President	3
2.	Description of actions	4
3.	Quality education	4
4.	Reduced inequalities	4
4.1.	Our profession	4
4.2.	Our members	5
4.3.	Our students	5
4.4.	Our people	5
5.	Climate Action	6
5.1.	Our business	6
5.2.	Our partners	6
6.	Partnerships for the UN Sustainable Development Goals	7

1. Message from our President

To our stakeholders

I am pleased to confirm that AAT reaffirms its support to the United Nations Global Compact and the Ten Principles. This is our third Communication on engagement with the United Nations Global Compact since becoming signatories in 2017. In this Communication on engagement, we outline the activities AAT has taken to support the UN Global Compact, its Principles, and the Sustainable Development Goals. AAT is the world's leading professional body for accounting technicians. We work across the globe with approximately 130,000 students and members over 100 countries. Our members are represented in both the public and private sector and at every level of the finance and accounting world including students, those people already working in accountancy, and self-employed business owners.

Our members contribute to the running of businesses in all sectors, both large and small organisations that make decisions impacting in all aspects of the economy, affecting local and nation-wide communities. This includes our licensed AAT members who provide accountancy, tax, and business advisory services to more than 5,00,000 British businesses. AAT members are ambitious, focused accounting professionals, keen to remain relevant, well placed to drive up professional standards and determined to support building responsible business in whatever sector they support. Many occupy senior, well rewarded positions with thousands of employers, operating with significant influence on the decisions made by the businesses they support. This communication focuses on our activities in relation to the UN Sustainable Development Goals which we have used as the basis for developing the AAT responsible business strategy.

Sincerely yours,



AAT President

2. Description of actions

As part of the ongoing AAT responsible business strategy, we continue to support the following sustainable developments goals (SDGs), which are considered most material to the aims and activities of our organisation:

- Quality education (SDG4)
- Reduced inequalities (SDG10)
- Climate action (SDG13)
- Partnerships for the UN Sustainable Development Goals (SDG17)

3. Quality education

Quality education underpins everything AAT does. As a [qualifications provider](#), at AAT it's our mission to make it possible for more people to experience the opportunities a career in finance brings, through our accessible qualifications and supportive community. The popularity of AAT's qualifications and continuous regulatory recognition are measures of that ongoing commitment.

AAT works continually to ensure that our qualifications are fit for purpose in a fast-changing world and help to produce qualified accountants who are real-world ready. The launch of the latest iteration of AAT qualifications (Q22) demonstrates that ongoing work.

Our student numbers remain high at around 75,000 (July 2023) in a competitive market. Improved online offerings and the latest iteration of qualifications have helped maintain strong numbers.

4. Reduced inequalities

4.1. Our profession

In providing learning and qualifications that are open to all, AAT recognises that supporting social mobility is integral to the ethos of AAT activities. In addition to encouraging accountancy qualifications through less traditional routes, AAT is an active signatory within [Access Accountancy](#), a growing organisation made up of proactive accountancy firms and professional bodies with the aim of offering large numbers of work experience opportunities, and career paths, for those from more socio-economically deprived backgrounds.

Since inception in 2015, Access Accountancy signatory firms have provided over 5,000 work experience placements for students.

Through our ongoing relationship with the social mobility charity [Leadership Through Sport & Business \(LTSB\)](#), AAT has supported a number of speed-interviewing events for young people on the LTSB programme to develop interviewing skills which has resulted in LTSB participants successfully securing Apprenticeships. During our ongoing engagement with employers, we help to raise awareness of LTSB and support relationship building, resulting in increased apprenticeship employment opportunities for young people on the LTSB programme. By sharing insights with the LTSB team, gained through our regional business development activities, we have helped to shape the LTSB partnerships with training providers, and to effectively raise their profile via our professional networks and social media platforms. We are also engaged with training providers working with LTSB to ensure the programme continues to be impactful.

4.2. Our members

AAT recognises that socio-economic factors are not the only barriers to equality and mobility within accountancy, and have produced a series of [member-led videos](#) telling stories of how AAT qualifications helped individuals in difficult circumstances to improve their life chances, including mental health problems, disability, long-term unemployment, redundancies and career changes.

Our practice assurance activity has seen strong consistency in practices achieving full compliance with all professional requirements (65% to year end 2023) with AAT undertaking reviews of 10% of licensed members annually, a 100% increase on 2022. This reflects both the greater emphasis AAT is placing on protecting the public, and the growing professionalism of our licensed members, and their understanding of the wider value that their compliance adds in protecting the public and assisting law enforcement.

4.3. Our students

AAT continues to support a bursary scheme designed to provide awards to current or new students who would otherwise have been prevented from studying due to financial restraints. Eighteen students received bursary awards in the 2022/23 year, with another nineteen for 2023/24. These bursaries are already demonstrating a tangible [impact on the lives of recipients](#), some of whom have faced extreme adversity due to homelessness, serious illness, unavoidable debt and even human trafficking.

Overall, AAT has now awarded 58 bursaries. Previous recipients have already gone on to be offered apprenticeships and job roles as a result of successfully achieving qualifications thanks to the bursary funding. The amazing story of just one of the recipients can be [read here](#).

4.4. Our people

As well as equality within the profession, AAT is committed to creating inclusion and promoting more general awareness of the value, in terms of sustainability and resilience, of a diverse workforce. Within the organisation this has taken place via a number of staff learning activities including awareness around: unconscious bias; LGBTQA+ awareness; disability awareness; mental health awareness. AAT has a team of Diversity and Inclusion (D&I) Champions who help deliver our D&I strategy and are members of the Employers Network for Equality and Inclusion (ENEI).

In support of disability awareness, AAT is [Disability Confident Committed](#) as part of the UK government scheme supporting businesses to increase opportunities for disabled persons.

In further support of our employees and fair reward, AAT is a [London Living Wage](#) employer and is Living Wage Foundation accredited.

AAT has undertaken detailed data collection to allow us to better understand the make-up of the workforce, and to identify areas for improvement in terms of diversity of employees. In addition, AAT have undertaken activity to assess possible barriers to progression for specific groups and is implementing strategies to remove those barriers.

AAT has been at the forefront of the campaign for compulsory ethnicity pay gap reporting in the UK, and has collected data relating to ethnicity for several years. Further to this activity, AAT now [publishes](#) the pay gap reports annually. By undertaking this activity, AAT is demonstrating a commitment to transparency, and to use the data to drive change internally and awareness externally.

Additionally, in January 2021 AAT joined the [Race at Work Charter](#) and has appointed an Executive Sponsor for Race to help support the development of Black, Asian and Minority Ethnic (BAME) employees across the organisation.

In the UK, businesses with more than 250 staff are required in law to publish details of their [gender pay gap](#). Prior to this legal obligation, AAT published its gender pay gap figures and continues to do so. AAT's recommendations for reform and improvement in this area have been adopted by many other organisations, including the Business, Energy & Industrial Strategy Committee and the Fawcett Society.

AAT is a key supporter of the [Women in Finance Charter](#), being one of the first 100 organisations (and first accountancy body) to sign up, and continues to meet our targets under the Charter. AAT's recommendation to widen the Charter to other sectors of the economy has gained widespread support from industry and politicians from all three main parties in the UK. As part of the signatory commitments, AAT introduced a target of 40% females in senior management by March 2022. AAT achieved this target ahead of time and has now increased the target to 45%.

Other resources, such as [in-depth published articles](#), help our members understand the challenges of increasing social mobility and the part that they and their businesses can play in driving change. Apprenticeships are one vital tool in this battle and AAT continues to develop partnerships and strategies to support growth in the use of apprenticeships in the sector.

5. Climate Action

5.1. Our business

AAT remains a carbon neutral organisation, with the UK PAS 2060 certification.

In 2022, AAT moved operations to offices in a building with much improved sustainability in comparison to previous premises. The premises are rated 'Excellent' by BREEAM – the Building Research Establishment's Environmental Assessment Method – which is one of the world's leading sustainability schemes for buildings. That places it among the top 10% of new non-domestic buildings in the UK on a broad range of measures including energy, waste, health & wellbeing, materials, pollution and land use. The management of the building uses a variety of ethical supply chains, Renewable Green Electricity is sourced and a smart BMS system to supply efficient HVAC (Heating /Ventilation /Air Conditioning).

In 2023 AAT has begun the process of using a formal GHG recording platform which will provide greater accuracy and visibility of emissions throughout operations and, in time, a more detailed understanding of supply chains. This will allow more targeted activity in emissions reduction.

5.2. Our partners

AAT continues to work closely with [Accounting for Sustainability \(A4S\)](#) and their network of global accountancy bodies, helping to develop and disseminate resources, focussing on smaller and medium sized firms who may lack skills and understanding regarding the Net Zero agenda in particular. In addition to this, AAT worked with [Net Zero Now](#) and other partners to develop a protocol and platform specifically designed for accounting practices to help them to start on their journeys to Net Zero.

In 2023, AAT introduced a new pathway to full membership using in-depth, mandatory continuing professional development (CPD) content. As part of this CPD progression pathway, a module on sustainability was created, teaching prospective members about the UN Global Compact SDGs and Net Zero, amongst other topics in a wider sustainability framework.

AAT has written in support of the newly launched ISSB global sustainability standards and will continue to promote knowledge of sustainability reporting amongst our members as investor and societal expectations, along with mandatory regulations, continue to grow.

6. Partnerships for the UN Sustainable Development Goals

Few of our activities can succeed without our close working relationships with an array of stakeholders.

AAT is a member of a number of international accounting bodies around the world championing the role that Accounting Technicians can make to the profession, including:

- IFAC (International Federation of Accountants)
- CAPA (Confederation of Asia Pacific Accountants)
- AFA (ASEAN Federation of Accountants)

AAT works in partnership with government departments and regulators to promote best practice and provide thought leadership, and alongside associated professions to share expertise and develop common goals in the public interest. These include close relationships with:

- The Office of Qualifications and Examinations Regulation (Ofqual)
- The Office for Professional Body Anti-Money Laundering Supervision (OPBAS)
- HM Revenue & Customs
- HM Treasury
- Companies House
- Professional accountancy bodies including: ICAEW, ACCA, AIA, CIOT, ICAI, AICPA-CIMA, IAB, ICAS, ICB, IFA, IPA

AAT also works closely with a number of not-for-profit organisations in order to share expertise and resources to the benefit of all members, regardless of their professional backgrounds. These include:

- Institute of Business Ethics
- Leadership Through Business and Sport
- Accounting for Sustainability
- Access Accountancy
- Business in the Community
- Employers Network for Equality and Inclusion
- Federation of Awarding Bodies

Sign off:

Adam Williamson

Head of Responsible Business and Policy

August 2023

AAT
30 Churchill Place
London E14 5RE
aat.org.uk

AAT is a registered charity. No. 1050724